

*Arkansas State Licensing  
Law For Contractors*

**ACT 150 OF 1965**

**As Amended by:**

**Act 142 of 1967**

**Act 293 of 1969**

**Act 397 of 1971**

**Act 546 of 1971**

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**ACT 397 of 1971**



## **ACT 150 OF 1965**

**As Amended by Act 142 of 1967  
293 of 1969  
397 of 1971  
546 of 1971**

An Act to Recodify the Provisions of Act 124, Approved February 24, 1939, and Act 217, Approved March 20, 1945, and Act 153, Approved February 23, 1951, Establishing the Contractors Licensing Board and Regulating the Practice of Contracting in the State of Arkansas; to Fix Maximum Salaries and Establish Qualifications for Employees of the Board and to Limit the Number of Employees to be employed by the Board.

**BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:**

**SECTION 1.** For the purposes of this Act, a 'contractor' is defined to be any person, firm, partnership, copartnership, association, corporation, or other organization, or any combination thereof, who for a fixed price, commission, fee or wage attempts to or submits a bid to construct, or contracts or undertakes to construct, or assumes charge, in a supervisory capacity or otherwise, of the construction, erection, alteration or repair, or has or have constructed, erected, altered, or repaired, under his, their or its direction, any building, highway, sewer, grading or any other improvement or structure, except single family residences, when the cost of the work to be done, or done, in the State of Arkansas by the contractor including but not limited to labor and materials, is Twenty Thousand Dollars (\$20,000.00) or more. It is the intention of this definition to include all improvements or structures, excepting only single family residences.

Architects and engineers, whose only financial interest in a project shall be the architectural or engineering fees for preparing plans, specifications, survey and such supervision as is customarily furnished by architects and engineers, are specifically excluded from this Act. (Act 397 of 1971)

**SECTION 2.** There is hereby created a State Licensing Board for Contractors, consisting of five (5) members, who shall be appointed by the Governor. Each member shall be at least thirty-five (35) years of age, a resident of the State of Arkansas, and a con-

tractor of not less than ten (10) years' experience in responsible charge of construction projects of magnitude consistent with the duties of his office. At least one member of such Board shall have had as a larger part of his business the construction of highways. At least one member of such Board shall have had as a larger part of his business the construction of sewers and waterworks. At least one member of such Board shall have had as a larger part of his business the construction of buildings. The members of the Board shall be appointed for one, two, three, four and five years, respectively, their terms expiring on the 31st day of December of such year. Thereafter in each year the Governor shall appoint to fill the vacancy caused by expiration, for a term of five (5) years. Each member shall hold over, after the expiration of his term, until his successor shall be duly appointed and qualified. If a vacancy shall occur in the Board for any cause, it shall be filled by appointment by the Governor, and the Governor may remove any member of the Board at any time for misconduct, incompetency or neglect of duty.

SECTION 3. Each member of the Board shall receive a certificate of appointment from the Governor, and, before entering upon the discharge of the duties of his office, shall file with the Secretary of State the constitutional oath of office. Each member of the Board first created shall receive a license to operate as a contractor under this Act from the Governor, and thereafter no one shall be eligible for appointment on the Board who does not at the time hold an unexpired license to operate as a contractor in Arkansas under this Act, and who has not been a bona fide resident of Arkansas for the previous five (5) years, and at the time of appointment does not maintain his principal place of business in Arkansas. The Board, or any Committee thereof, shall be entitled to the services of the Attorney General or other State legal counsel as deemed appropriate, in connection with the operation of the affairs of the Board. Additional legal counsel may be employed by the Board from time to time as it may deem necessary.

SECTION 4. The Board shall, within thirty (30) days after its appointment by the Governor, meet in the City of Little Rock at a time and place to be designated by the Governor, and shall elect a Chairman, Vice-Chairman,

and Secretary, each to serve in his respective capacity for one year, and thereafter such officers shall be elected by the Board annually. The Board shall have power to make such by-laws, rules and regulations for its operation as it shall consider appropriate; provided the same are not in conflict with the laws of the State of Arkansas. The Board shall adopt a seal for its own use and shall have on it the words, "Contractors Licensing Board, State of Arkansas, Seal," and the Secretary shall have charge and custody thereof. Within sixty (60) days after the Board has been organized, it shall meet for the purpose of receiving applications for certificates to engage in the business of general contracting and for the transaction of such other business as may come before it, and thereafter shall have two (2) regular meetings in each year; one in the month of February, and one in the month of August, for the purpose of transacting such business as may properly come before it, on call of the Chairman of the Board. Special or adjourned meetings may be held at such times as the Board may provide by the by-laws which it shall adopt, or at such time as the Board, may, by reasonable resolution, provide. Due notice of each meeting and the time and place thereof shall be given to each member in such manner as the by-laws shall provide. Three (3) members of the Board shall constitute a quorum. All meetings of the Board shall be held in Little Rock, Arkansas.

SECTION 5. The Secretary shall keep a record of the proceedings of the Board. The fees of the Contractors Licensing Board shall be deposited in banks to be used by the Board in the manner prescribed by law, similar to the accounts of other examining and licensing boards of the State, and shall be audited under rules and regulations prescribed by the State Comptroller.

SECTION 6. Each member of the Board shall receive \$15.00 per day while the Board is in session, and reimbursement for necessary traveling expenses, board and lodging. (The remainder of Section 6 is superceded by an Appropriation Act.)

SECTION 7. The Secretary shall keep a register of all applications for license showing for each the date of application, name, qualification, place of business, place of residence, and whether the license was granted

or refused, as well as a complete transcript of the proceedings, including evidence submitted by applicants, licensees, the Board or otherwise, at any hearing. The books and register of this Board, including transcripts of proceedings, shall be prima facie evidence of all matters recorded therein and a certified copy of such books or register, including transcripts of proceedings, under the seal of the Board, attested by its Secretary, shall be received in evidence in all Courts of the State in lieu of the original. A roster showing the names and places of business and of residence of all licensed contractors shall be prepared by the Secretary of the Board as soon as convenient, and not more than ninety (90) days after the Board shall have organized, and during the month of August of each succeeding year. Such roster shall be ordered printed by the Board and paid for out of the funds herein appropriated for the operation of this Act. On or before the first day of August of each year, the Board shall submit to the Governor a report of its transactions for the preceding year, and shall file with the Secretary of State a copy of such report, together with a complete statement of receipts and expenditures of the Board attested by the affidavit of the Chairman and Secretary and copy of the roster of licensed contractors.

SECTION 8. Any person, other than members selected by the Governor as hereinbefore provided, hereafter desiring to be licensed as a contractor in this State shall make and file with the Board thirty (30) days prior to any regular or special meeting thereof, a written application on such form as may then be by the Board prescribed, for examination by the Board, such application to be accompanied by payment in a sum to be determined by the Board but not to exceed One Hundred Dollars (\$100) to the Contractors Licensing Board, State of Arkansas. If such application complies with the Board's rules and regulations, then the applicant shall be entitled to an examination to determine his, their, or its qualifications. If the result of the examination of any applicant shall be satisfactory to the Board, then the Board shall issue to the applicant a certificate to engage in contracting in the State of Arkansas. Any person thus receiving a certificate of license from the Board shall forthwith have it recorded in the Office of the Secretary of State, and the date of recording shall be

evidenced thereon. Until the license is recorded, the holder thereof shall not exercise any of the rights or privileges therein conferred, and in case such license is not recorded within sixty (60) days from the date of its issuance, it shall become invalid. The Secretary of State shall be paid a fee of \$1.00 for recording said certificate and shall keep in a book to be provided by him for that purpose a complete list of certificates of license recorded by him, together with the date of each, and the date of recording. Any applicant failing to pass the examination prescribed by the Board shall be entitled to the refund of his, their or its fee accompanying the application. Anyone failing to pass such examination may be re-examined at any regular meeting of the Board upon payment of regular fee.

All certificates of license to engage in the business of contracting in the State of Arkansas shall expire the last day of June following the issuance or renewal thereof, and shall become invalid on that day unless renewed. A fee not to exceed One Hundred Dollars (\$100.00) payable at the time of filing the application shall be assessed against each applicant and thereafter an annual renewal license fee to be determined by the Board but not to exceed One Hundred Dollars (\$100.00) shall be paid by each licensee to defray the costs and expenses of the administration of this Act. (Act 546 of 1971).

SECTION 9. The Board, in determining the qualifications of any applicant for original license, or any renewal license, shall, among other things, consider the following: (a) experience, (b) ability, (c) character, (d) the manner of performance of previous contracts, (e) financial condition, (f) equipment, (g) any other fact tending to show ability and willingness to conserve the public health and safety, and (h) default in complying with the provisions of this Act, or any other law of the State. A record shall be made and preserved by the Board of each examination of applicant or licensee, and the findings of the Board thereon, and certified copy of the record shall be furnished to any applicant or licensee desiring to appeal from the findings of said Board, as hereinafter provided, upon payment of the costs of transcribing such record.

SECTION 10. The Board shall have power to limit the license to the character of work for which the applicant is qualified.

SECTION 11. The Board shall have the power to promulgate rules and regulations for the efficient enforcement of this Act and shall also have the power to assign or give permission to any State Agency, Board or Commission the right to determine qualifications of a contractor solely for the purpose of submitting a bid to such State Agency, Board or Commission on projects involving Federal Aid funds prior to such contractor being licensed by this Board, provided that no State Agency, Board or Commissioner shall execute any construction contract involving Federal Aid funds unless and until the successful bidder for such project furnishes a certificate of license issued by this Board.

SECTION 12. The Board shall have the power to revoke the certificate of license of any contractor licensed hereunder who is found guilty of any fraud or deceit in obtaining a license or for aiding or abetting any contractor or person to violate the provisions of this Act or for gross negligence, incompetence or misconduct in the conduct of such contractor's business. Any person may prefer charges in connection with the foregoing against any contractor licensed hereunder. Such charges shall be in writing and sworn to by the complainant and mailed to the Board, and unless dismissed without hearing by the Board as unfounded or trivial, shall be heard and determined by the Board within thirty (30) days after the date on which they were made. A time and place for such hearing shall be fixed by the Board and held in the City of Little Rock, County of Pulaski, and State of Arkansas. A copy of the charges, together with the notice of the time and place of hearing, shall be considered as legally served by the Board when sent to the last known address of the accused by registered mail, at least ten (10) days before the fixed date for the hearing and in the event that such service cannot be affected ten (10) days before such hearing, then the date of hearing and determination shall be postponed as may be necessary to permit the carrying out of this condition. At such hearing the accused contractor shall have the right to appear personally and by counsel, and to cross examine witnesses and to submit evidence in such contractor's be-



half and defense. If after the hearing the Board finds the facts as alleged and of such character as to disqualify the contractor, then the Board shall revoke the license of the contractor, but in such event no refund shall be made of the license fee. The Board may, within its discretion and upon proper application or hearing, reissue a license to any contractor whose license has been revoked. The Board shall immediately notify the Secretary of State, of its findings in the case of a revocation of a license, or of a reissuance of a revoked license. A certificate of license to replace any certificate lost, destroyed, or mutilated may be issued subject to the rules and regulations of the Board.

SECTION 13. The issuance of a certificate of license by this Board shall be evidence that the person, firm or corporation named therein is entitled to all of the rights and privileges of a licensed contractor while such license remains unrevoked or unexpired.

SECTION 14. Any contractor who for a fixed price, commission, fee or wage, attempts to or submits a bid or bids to construct or contracts to construct, or undertakes to construct, or assumes charge in a supervisory capacity or otherwise, of the construction, erection, alteration or repair, of any building, highway, sewer, grading or any other improvement or structure, when the cost of the work to be done by the contractor, including but not limited to labor and materials, is Twenty Thousand Dollars (\$20,000.00) or more, without first having procured a license to engage in the business of contracting in this State, or who shall present or file the license certificate of another, or who shall give false or forged evidence of any kind to the Board, or any member thereof, in obtaining a certificate of license, or who shall impersonate another, or who shall use an expired or revoked certificate of license, shall be deemed guilty of a misdemeanor, and shall be liable to a fine of not less than One Hundred Dollars (\$100.00) nor more than Two Hundred Dollars (\$200.00) for each offense, each day to constitute a separate offense. No action may be brought either at law or in equity to enforce any provision of any contract entered into in violation of this Act. The doing of any act or thing herein prohibited, by any applicant or licensee, shall in the discretion of the Board constitute sufficient grounds to refuse a license

to an applicant or to revoke the license of a licensee.

SECTION 15. In all prosecutions for violations of the provisions of this Act for engaging in the business of contracting without a certificate of authority, it shall be sufficient to allege in the indictment, affidavit or complaint that "A. unlawfully engaged in business as a contractor, without authority from the Contractors Licensing Board, State of Arkansas, to do so."

SECTION 16. The following shall be exempted from the provisions of this Act: The practice of contracting as defined in Section 1 of this Act by an authorized representative or representatives of the United States Government, State of Arkansas, incorporated town, city or county, or other political subdivision in this State.

SECTION 17. A corporation or partnership may engage in the business of contracting when licensed by the Board. It shall be unlawful and constitute a violation of this Act for any two or more contractors whether doing business as individuals or as a partnership or corporation, to jointly submit a bid or enter into any contract for construction as a joint venture or other combination unless all parties to such joint venture or combination are licensed pursuant to this Act.

SECTION 18. When any contractor not being licensed by this Board shall engage, or attempt to engage, in the business of contracting as herein defined, the Board shall have the right to go into the proper Court in the jurisdiction in which the work is being performed, and upon affidavit secure a writ of injunction, without bond, restraining and prohibiting such contractor from performance of the work then being done, or about to commence.

SECTION 19. All architects and engineers preparing plans and specifications for work to be contracted in the State of Arkansas shall include in their invitation to bidders and in their specifications a copy of this Act, or such portions thereof, as are deemed necessary to convey to the invited bidder, whether he is a resident of this State, or not, the information that it will be necessary for him to have a certificate of license from this Board before his bid is considered.

SECTION 20. Any party aggrieved by any decision of this Board shall have the right to seek review thereof pursuant to the provisions of Act 103 of 1963. (Section 5-701 et.seq. Ark. Stats.)

SECTION 21. If any Section, sentence or provision of this Act shall be held unconstitutional, such holding shall not affect any remainder of the Act not in itself unconstitutional.

SECTION 22. All laws and parts of laws in conflict herewith be and the same are hereby repealed.

### ACT 397 OF 1971

An Act .....to authorize the Contractors Licensing Board to advise and coordinate efforts to keep Licensed Contractors in this State informed with respect to Federal Occupational Safety and Health Standards, and to administer such programs or standards when designated by the appropriate Federal or State Agency; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. (Amends Section 1 of Act 150 of 1965, as amended, and is printed herein as Section 1 of Act 150 of 1965, as amended).

SECTION 2. The Contractors Licensing Board shall review all federal and/or state laws, rules and regulations with respect to occupational safety and health standards for licensed contractors and their employees in this State for the purpose of advising, coordinating and informing licensed contractors in this State with respect to such occupational safety and health standards and for the purpose of assisting licensed contractors in complying therewith; and may, whenever the Board deems the same to be in the interest of the licensed contractors and/or in the public interest, intervene with respect to the modification or enforcement of any occupational safety and health standards for licensed contractors and their employees. The Contractors Licensing Board may, if so designated by the appropriate federal or state agency, administer any programs or standards promulgated with respect to occupational safety and health standards for licensed contractors and their em-

ployees as provided by federal or state law, or rule or regulations promulgated thereunder.

SECTION 3. All laws and parts of laws in conflict with this Act are hereby repealed.

SECTION 4. If any provision of this Act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Act which can be given effect without the invalid provision or application, and to this end the provisions of this Act are declared to be severable.

SECTION 5. It is hereby found and determined by the General Assembly that greater flexibility is required in the establishment of fees to be charged by the Contractors Licensing Board for examination, issuance and renewal of contractors' licenses to enable said Board to provide for the efficient regulation of licensed contractors; that the establishment of federal occupational safety and health standards for licensed contractors makes it necessary that the Contractors Licensing Board be granted authority to advise, coordinate and inform licensed contractors in this State with respect to such standards for the purpose of assisting licensed contractors in complying therewith; and, that the immediate passage of this Act is necessary to accomplish the aforementioned purposes, and to enable the Contractors Licensing Board to assume responsibilities for administering programs or standards promulgated with respect to occupational safety and health standards for licensed contractors if designated by appropriate federal or state laws or rules or regulations promulgated for the implementation thereof. Therefore, an emergency is hereby declared to exist and this Act being necessary for the immediate preservation of the public peace, health and safety shall be in full force and effect from and after its passage and approval.

Act 150 of 1965 - Approved Mar. 9, 1965

Act 142 of 1967 - Approved Feb. 23, 1967

Act 293 of 1969 - Approved Mar. 21, 1969

Act 397 of 1971 - Effective Mar. 25, 1971

Act 546 of 1971 - Effective Apr. 6, 1971